Richard F. Timmons

From: Swinburn, Charles (Boca) [Charles.Swinburn@RailAmerica.com]

Sent: Monday, July 25, 2005 11:41 AM

To: Richard F. Timmons

Subject: Response to Chairman Nober's letter

Rich:

Please excuse the informality of this e-mail response to your request for comments responsive to Chairman Nober's letter about meeting fall peak service demands.

Our story is a pretty simple one. With only few, non-significant, exceptions we do not have or expect to have our own capacity problems on any of our lines. Rather, our ability to meet fall peak demands will depend much more on the performance of the Class 1 railroads than on anything we do. We are already having difficulty serving customer demand in many places in the country due to shortages of equipment received in interchange from our Class 1 partners as well as congestion on their lines.

Nevertheless, to make sure that we do not contribute to fall peak season problems, we are doing or will be prepared to do several things:

- We will coordinate our operations with the car distribution and operating departments of our Class I connections. For the most part this takes place thru the respective Class I trainload marketing programs.
- As we have in the past, we will if necessary transfer fleets between our roads to follow demand. For instance, when KYLE's wheat harvest subsides in September, we often send a share of its covered hopper cars to our Midwestern roads for the October corn and bean harvest
- We will coordinate with our customers about planning for and meeting anticipated peak demand. For instance, our KYLE railroad, which is a grain hauling railroad, hosts 2 town hall meetings before harvest, soliciting customer feedback on the expected size and timing of the harvest. KYLE in turns offers advice to customers on what they can expect in the way of service.

Please do not hesitate to call me if you have any questions about the above. Thanks. Charlie

Add this to the documents
received previously from
Richard E. Timmons.